

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6075**

**BILL NUMBER:** SB 22

**NOTE PREPARED:** Jan 31, 2006

**BILL AMENDED:** Jan 30, 2006

**SUBJECT:** Pipeline Safety.

**FIRST AUTHOR:** Sen. Gard

**FIRST SPONSOR:** Rep. Wolkins

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:** X **GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill provides that the pipeline safety laws apply to hazardous liquids and carbon dioxide fluid. It increases the maximum civil penalties that may be imposed under the pipeline safety laws.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** The bill provides that the Pipeline Safety Division must review accidents involving personal injury that are in excess of \$50,000. The current threshold is \$3,000. This provision will reduce the workload and expenses of the division by an indeterminable amount.

**Explanation of State Revenues:** The bill expands the types of fluids transported over a pipeline that are subject to pipeline safety laws. The bill also increases the maximum civil penalties from \$10,000 to \$25,000 for a person who violates the pipeline safety law. Civil penalties are deposited in the state General Fund. Expanding the types of fluids that are covered and increasing the fine could result in more revenue deposited in the state General Fund. The impact is indeterminable. Only one penalty of \$5,000 has been assessed during the past five years.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Utility Regulatory Commission (IURC).

**Local Agencies Affected:**

**Information Sources:** AnnMarie Robertson, Director, IURC Division of Pipeline Safety, 317-232-2717.

**Fiscal Analyst:** Bernadette Bartlett, 317-232-9586.